



**W.A.(MD) No.1250 of 2022**

**WEB COPY BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT**

|               |            |
|---------------|------------|
| Reserved on   | 21.01.2025 |
| Pronounced on | 30.01.2025 |

**CORAM:**

**THE HONOURABLE MR.JUSTICE RMT.TEEKAA RAMAN  
and  
THE HONOURABLE MR.JUSTICE N.SENTHILKUMAR**

**W.A.(MD) No.1250 of 2022  
and  
C.M.P.(MD) No.9741 of 2022**

Hindustan Petroleum Corporation Limited,  
By its Chief Regional Manager,  
Plot No.167-172, SIDCO  
Industrial Estate,  
Kappalur,  
Madurai-625 008.

... Appellant/1<sup>st</sup> Respondent

-VS-

1.Palanisamy

... 1<sup>st</sup> Respondent/Petitioner

2.The Secretary (LPG),  
Ministry of Petroleum and Natural Gas  
Shastri Bhavan,  
New Delhi 110 001  
[R2 is given up]

... 2<sup>nd</sup> Respondent/2<sup>nd</sup> Respondent



**W.A.(MD) No1250 of 2022**

**Prayer:** Writ Appeal filed under Clause 15 of Letters Patent to set aside the order passed by this Court in W.P(MD)No.14631 of 2021, dated 01.08.2022.

For Appellant : Mr.M.Sridhar  
Standing Counsel

For Respondents : Mr.V.Ragavachari  
Senior Counsel  
for Mr.J.Anandkumar for R1

R2-Given up

### **JUDGMENT**

**[Judgment of the Court was made by RMT.TEEKAA RAMAN, J.]**

The Hindustan Petroleum Corporation Limited, who is the first respondent in the writ petition, has preferred this writ appeal to set aside the order of this Court, dated 01.08.2022 in W.P(MD)No.14631 of 2021.

2.The chequered history of this case is as under:

2(a)The Hindustan Petroleum Corporation Limited and the other two oil companies issued advertisement on 20.08.2017 calling



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**WEB COPY** for applications from candidates interested in being appointed as LPG distributors in Tamil Nadu and Pudhucherry.

2(b) The petitioner applied for location “Pushpathur” in Dindigul District under Scheduled Caste category. After scrutinizing applications received, 18 applicants including the petitioner were found to be eligible to participate in the draw of lots. The participants were duly intimated.

2(c) On 24.11.2017 draw of lots was conducted. One Kumudhavalli Marimuthu turned out to be the successful participant. Questioning the same, the petitioner herein filed WP(MD)No.22136 of 2017. The primary ground taken was that there was no proper paper publication and no due intimation about the date to the applicants. After considering the materials on record, the said writ petition was dismissed. However, the selected candidate withdrew her application and hence, LOI issued in her favour was cancelled on 21.06.2019.

2(d) A re-draw for the remaining 17 eligible candidates including the petitioner was conducted on 28.08.2019. One



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**WEB COPY** Nagasundari was selected. But during field verification, it was found that she did not fulfil the eligibility criteria and her candidature was also cancelled.

2(e) When re-draw was proposed to be conducted, the petitioner filed WP(MD)No.19767 of 2019. The said writ petition was closed by recording the submission of the learned standing counsel that the petitioner's name will also be included in the re-draw. It was also informed to the court that the name of Nagasundari will not be included because she did not have the requisite land. Hence her name stood excluded and her candidature was also rejected.

2(f) The third re-draw for the remaining 16 eligible candidates including the petitioner was conducted on 20.02.2020. One Ms.Christy Ruby was selected through draw of lots. During field verification of credentials, it became to known that she also did not meet the eligibility criteria. Hence, her selection also was cancelled after forfeiting the security deposit.



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2(g) The petitioner filed one more writ petition in WP(MD)No. 12140 of 2020. This writ petition was also disposed of on 21.09.2020 and the re-draw was permitted to be held.

2(h) One Dineshkumar was declared as selected. Since he did not pay the security deposit for conducting field verification of credentials, his candidature was also rejected and HPCL had preferred to take one more re-draw for the remaining 14 eligible candidates.. At that stage, the petitioner filed WP(MD)No.18210 of 2020.

3.The first respondent, Palanisamy, has filed the above writ petition seeking the relief of Certiorarified Mandamus to quash the impugned order of the first respondent/Hindustan Petroleum Corporation, dated 09.08.2021 and consequently, forbear the respondents from conducting the draw of lots. After hearing the submissions of both the parties, the learned Single Judge has allowed the writ petition. Hence, the present appeal came to be filed.



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4.The learned Standing Counsel for the appellant would rely upon the Judgments of the Hon'ble Supreme Court of India in ***K.Vinod Kumar Vs S.Palanisamy*** reported in ***2003 (6) Supreme 471*** and ***R.Kalaivani Vs. The Chairman, Indian Oil Corporation Limited, Corporate Office, New Delhi and Others*** reported in ***(2010) 1 MLJ 742*** and the Judgment of this Court in ***Indian Oil Corporation Limited, rep. by the Senior Area Manager (Marketing Division) Vs. J.Ranjith*** reported in ***CDJ 2012 MHC 5340*** and also contended that the conditions mentioned in the prospectors or brochures cannot be challenged after participating in the said selection process and the terms and conditions fixed therein for the selection process is not subjected to judicial review and the impugned order at para No.7, namely, the operative portion of the order runs contrary to the procedure for selection of draw of lots as mentioned in the same and hence, they prayed for allowing this writ appeal.

5.Per contra, the learned Senior Counsel appearing for the first respondent would contend that the earlier writ petitions, persons who are ill-eligible, have been selected by the lot and subsequently, found to be ineligible and their



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selection has been challenged before this Court in various writ petitions and therefore, the same was cancelled. In the process, eight years have lapsed. He would further contend that genuine candidates are knocking at the doors of the High Court seeking justice and hence, a lot can be done for the eligible candidates and not for all candidates who have applied. He would further contend that Clause 8 of the notification was not complied with by the Corporation.

6.After hearing the learned counsel on either side and perusing the materials, we find that before the institution of this case, there were four rounds of litigation by different sets of plea in respect of the very same notification. This subject matter of common notification was issued by the Oil Corporation of India on behalf of three corporations.

6(b) The selection process is as per the unified guideline for the selection of LPG distributors issued by the Indian Oil Corporation, Bharat Petroleum, and Hindustan Petroleum. Clause 8 refers to eligibility criteria for the applicants. Clause 8(a)(5) deals with the conditions relating to the godown. Clause 15 deals with the draw of lots. Clause 16 prescribes the procedure for the draw of lots.



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Clause 18 deals with field verification of credentials (FVC). Clause 20 deals with conditions for redraw. In essence, the conditions were drawn by lots as stated by 15 and shall be taken as a procedure in the event of a redraw.

7.The learned Senior Counsel appearing for the first respondent has not challenged any of these notifications. However, he would contend that non-compliance of the draw of lots and the procedure for the draw of lots and eligibility criteria as stated in clause 8 resulted in filing of the writ petition.

8.This Court has considered the rival submissions and also considered the contents and documents filed before this Court.

9(a) It appears from the typed set of papers that initially, the notification for the LPG dealership in the village of Pushpathur in Dindigul District was called for from the members of the scheduled caste community and one Kumuthavalli Marimuth was allotted for the draw of lots by the computer and on verification of the field, the same was subjected to challenge before this Court in W.P(MD)No. 22136 of 2017 on the ground that the selected candidate is not a member of the



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WEB COPY scheduled caste in short and she is a non-scheduled caste candidate and hence, that was set aside and asked to redo the exercise.

9(b) Again, one Nagasundari was selected by the draw of lots by the computer and field verification has been carried out and the same was subjected to challenge before this Court in W.P.(MD)No.19767 of 2019. However, it was found that the said Nagsundari does not own any land, which is a prerequisite for competing as eligible candidates for the draw of lots and hence, that selection has also been cancelled.

9(c) Subsequently, the third round has taken place, wherein one Christy Jeya Ruby was allotted and selected as a successful candidate and that is also put to challenge in W.P(MD)No.12140 of 2020 on the ground that the candidate, who was drawn of lots by the computer, is a non-scheduled caste candidate, while the notification is specifically stated that the dealership is meant for the scheduled caste only and the writ petition was allowed and thereafter, another lot was taken.



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9(d) In the fourth round of the redraw, one Dineshkumar has been selected by the computer and field verification was taken and the same was challenged in W.P(MD)No.18120 of 2020, alleging that he has not even participated and accordingly, the same has also been cancelled. Now, it is the fourth turn of the redraw.

10. When the matter was taken up by the learned Single Judge, the learned Standing Counsel for the Hindustan Petroleum Corporation submitted that only online applications are submitted and no documents are required to be submitted and the entire process of selection, including submission of application, short-listing of draw of lots and selection in draw of lots, is computerized and there is no provision for verifying the eligibility criteria of the applicant before conducting the draw. After the selection given by the computer field, verification will be carried out only in respect of candidates who are selected in the draw of lists and such a method is adopted to avoid unnecessary revenue expenses. On the above contention, the learned Single Judge has passed the following order, and the relevant paragraphs are extracted hereunder:



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*“....5.I carefully considered the rival contentions and went through the materials on record. Even though the contentions advanced by the learned standing counsel for the first respondent sound very pragmatic, they cannot ignore the guidelines set out in the notification. The notification contains elaborate guidelines on selection of LPG distributors. Clause 1 contains the definitions of various terms employed in the notification. Clause 2 sets out the basic facilities required for the operation of LPG dealership. Clause 7 states that the selection will be done by conducting draw of lots from among all the eligible applicants for the location. Clause 8 unambiguously states that all applicants fulfilling eligibility criteria will become eligible for the draw of lots for the selection of LPG dealership.*

*6.The guidelines set out in the notification are couched in a language that cannot throw doubt in anyone's mind. To the question who can participate in the draw of lots, the answer is that those applicants who fulfil the eligibility criteria alone will be eligible. Clause 8 of the guidelines is in such unambiguous language. It may be viable for the respondent corporation to conduct field verification only for the person who is successful in the draw of lots. But in view of the aforesaid guidelines, it would be futile to contend that eligibility will be tested later. This is like putting the cart before the horse. The stand taken in the counter affidavit is not in consonance with the scheme set out in the guidelines. In the very nature of things, draw of lots is a matter of chance. That cannot ever be diminished by including ineligible persons also in the draw of lots.*



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7. Therefore, for the foregoing reasons, the impugned proceedings are quashed. The respondent had already conducted draw of lots on as many as four occasions. Because of the approach adopted by the first respondent corporation, the process has been delayed by almost five years. As on date, there are 14 persons remaining. Field verification shall be conducted in respect of all the 14 persons. Of course, if the persons concerned do not make necessary payment for conducting field verification, they will automatically stand excluded. The first respondent will shortlist the candidates who are eligible to participate in the draw of lots. Thereafter, a fresh draw will be conducted. The person who turns out to be successful will be allotted LPG distributorship.

11. As extracted *supra*, the contentions of the learned counsel on either side and the decisions relied on thereon are relating to challenges that are made to the conditions contained in the prospectors or brochures. In the instant case, as submitted by the learned Senior Counsel for the first respondent, they are not challenging any terms and conditions contained in the brochures nor containing any pre-conditions but could contend that non-compliance of the conditions stated therein. Hence, all three judgments relied on by the learned Standing Counsel for the appellant corporation are not applicable to the facts and circumstances of the case. Admittedly, from the submissions made by the learned



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Standing Counsel for the appellant corporation, we find that before the draw of lots, there is no checking or verification of eligibility criteria of the appellant.

12(a) It is seen from the chequered history of the case as narrated *supra* that the first candidate, Kumuthavalli Marimuthu, who was initially allotted and the process was completed, wherein, she was found to be a non-scheduled caste candidate. Secondly, Nagasundari was selected and field inspection was completed, wherein she was found to have no lands. In the third turn, one Christy Jeya Ruby was allotted and field verification was completed. Ultimately she was found to be a non-scheduled caste candidate. In the fourth round, one Dineshkumar was allotted and on verification of field inspection, he has not participated in the contest. Hence, he was rejected. These could go to show that without any verification of the eligibility criteria, a draw of lots are taken up and selection of the draw of lots can also taken up and after the selection, field inspection was taken and after the field inspection, thereafter on verification of eligibility criteria, applicant does not hold necessary eligibility criteria assumes significance.



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12(b) Hence, we find that the findings rendered by the learned Single Judge as extracted *supra* “*To the question of who can participate in the draw of lots, the answer is that those applicants who fulfilled the eligibility criteria alone will be eligible.*”

12(c) When clause 8 of the guideline is in such unambiguous language, it appears that the corporation is taking a pragmatic view, as taking a different view by putting the cart before the horse. The stand taken in the counter affidavit is not inconsonant with the scheme set out in the guidelines. The draw of lots is a matter of choices that cannot ever be diminished by including an ineligible person also in the draw of lots. At this juncture, it remains to be stated that both in clause 8 of the brochure under which all the candidates have been applied.

12(d) It is categorically stated that in Clause 8 of the eligibility creiteria for applicants-All applicants fulfilling the eligibility criteria will become eligible for the draw for selection of the LPG distributorship. The eligibility criteria for candidates to apply for Sheheri Vitrak, Rurban Vitrak, Gramin Vitrak and Durgam Kshetriya Vitrak. With regard to the draw of lots mentioned in clause 15(a), all



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applicants registered on the website [www.lpgvitarakchayan.in](http://www.lpgvitarakchayan.in) can see the status of their application on the portal [www.lpgvitarakchayan.in](http://www.lpgvitarakchayan.in). The list of eligible applicants and applicants eligible for the draw of lots will be made available on the notice board of the concerned office of the PSU Oil Marketing Company and on the website of the concerned PSU Oil Marketing Company as well as on the website [www.lpgvitrakchayan.in](http://www.lpgvitrakchayan.in). So also all the clauses contained in 16, wherein the procedure for the draw of lots, especially in 16(a), stated that information will be sent to the eligible candidates through email/SMS to report for draw of lots for selection of LPG Distributor at a specified venue, date and time.

13. In view of the above, we find that the draw of lots can be only for eligible persons and not for ineligible persons, and hence, the procedure adopted by the corporation appears to be putting the cart before the horse. Hence, we do not find any good reason to interfere with the order passed by the learned single Judge. Therefore, the findings of the learned Single Judge at para Nos. 5 and 6 of the impugned order are hereby confirmed and the operative portion of the order at para 7 as extracted *supra* is also hereby confirmed.



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**WEB COPY** 14. For the above reasons, the Writ Appeal stands dismissed. No costs.

Consequently, connected miscellaneous petition is closed.

**[T.K.R., J.]      [N.S., J.]**  
**30.01.2025**

NCC : Yes / No  
Index : Yes / No  
Internet : Yes / No  
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**To**

The Record Keeper,  
Vernacular Section,  
Madurai Bench of Madras High Court,  
Madurai.



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**RMT.TEEKAA RAMAN, J.**  
**AND**  
**N.SENTHILKUMAR, J.**

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**Pre-Delivery Judgment Made In**  
**W.A.(MD) No1250 of 2022**  
**and**  
**C.M.P.(MD) No.9741 of 2022**

**30.01.2025**